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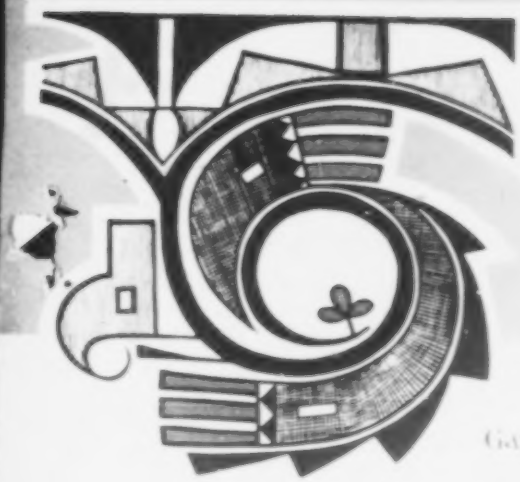
New Mexico Labor Market Review



Garrey Carruthers
Governor

Paul M. Garcia
Secretary

New Mexico Department of Labor
LABOR

Volume 18, No. 7, August 31, 1989
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Unemployment in New Mexico normally falls in July by about a percentage point. In line with this trend, New Mexico's unemployment rate decreased from 7.4 to 6.5 percent in July, according to estimates released by Paul Garcia, Secretary of the New Mexico Department of Labor. A decrease in unemployment is expected for July because many June new entrants (mostly students) either find summer work or leave the labor force while at the same time tourism-related jobs in the service sector pick up. Approximately 11,200 fewer persons are unemployed in New Mexico compared with one year ago when the jobless rate stood at 8.1 percent. The U.S. unemployment rate (not seasonally adjusted) was 5.3 percent in July, down from 5.5 percent in both June 1989 and July 1988.

Nonagricultural payroll employment fell between June and July by 4,000 jobs to a total of 551,700, according to the ~~monthly~~ survey of nonagricultural employers. Construction and services reported job increases over June - the gain was rather modest in construction and more robust in the case of services. There was no change in employment in the mining, transportation/public utilities and finance/real estate sectors. Manufacturing, trade and government lost jobs over the month, although the government loss is seasonal and education-related.

The Department of Labor employer survey of nonagricultural employment shows a yearly increase of 14,600 jobs statewide for a 2.7 percent annual increase. Leading in annual growth rates are the services, trade and manufacturing sectors, all with rates near 3 percent. Construction and transportation/public utilities both employ fewer workers than they did a year ago.

The mining sector has apparently stabilized at about 15,500 jobs over the past year, following its precipitous decline in the first eight years of the decade. In metal mining, high copper prices have buoyed mining in the southwest part of the state, but uranium employment may be adversely affected by the announced sale or closure of the Chevron Resources Mount Taylor mine. The reopening of the Molycorp mine in Taos County will provide jobs to an area badly in need of economic stimulus. Oil and gas employment has apparently reached a plateau at around 9,200 - 9,300 jobs and prospects for coal employment, currently at 1,800 jobs, seem improved by contracts reported by Pittsburgh and Midway, new owners of the York Canyon Mine in Colfax County. Potash mining, located mostly around Carlsbad, has benefitted from protection afforded by the 1987 U.S.-Canada potash trade pact and now can be considered a healthy and stable employer.

	Prel.	Revised		Change From	
	July 1989	June 1989	July 1988	June 1989	July 1988
Civilian Labor Force	694,000	698,700	696,500	-4,700	-2,500
Employment	649,100	647,100	640,400	+2,000	+8,700
Unemployment	44,900	51,600	56,100	-6,700	-11,200
Rate	6.5%	7.4%	8.1%		

ESTIMATED NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (JOBS)
(Prepared in cooperation with the U.S. Bureau of Labor Statistics)

NEW MEXICO	PRELIM JUL 1989	REVISED JUN 1989	REVISED JUL 1988	JUL CHANGE FROM JUN 1989	JUL CHANGE FROM JUL 1988
TOTAL NONAGRICULTURAL EMPLOYMENT 1/	551,700	555,700	537,100	-4,000	14,600
MINING	15,500	15,500	15,400	0	100
Metal Mining	2,100	2,000	2,000	100	100
Bituminous Coal/Nonmetalic Mining	4,200	4,200	4,000	0	200
Oil & Gas Extraction	9,200	9,300	9,400	-100	-200
CONSTRUCTION	31,000	30,700	31,300	300	-300
MANUFACTURING	40,900	41,400	39,700	-500	1,200
DURABLE GOODS	27,700	28,100	27,000	-400	700
Lumber & Wood Products	2,600	2,500	2,600	100	0
Machinery(except electric)	2,700	2,700	2,600	0	100
Elec & Electronic Equip	5,600	5,700	5,500	-100	100
Transportation Equipment	5,300	5,400	5,200	-100	100
Other Durable Goods	11,500	11,800	11,100	-300	400
NONDURABLE GOODS	13,200	13,300	12,700	-100	500
Food & Kindred Products	3,900	3,900	3,700	0	200
Textile & Apparel	2,700	2,700	2,600	0	100
Other Nondurable Goods	6,600	6,700	6,400	-100	200
TRANSPORTATION & PUBLIC UTILITIES	27,800	27,800	28,100	0	-300
TRANSPORTATION	13,100	13,100	12,600	0	500
Railroad Transportation	2,100	2,000	2,100	100	0
Trucking & Warehousing	7,000	6,900	6,600	100	400
Other Transportation	4,000	4,200	3,900	-200	100
COMMUNICATION & PUBLIC UTILITIES	14,700	14,700	15,500	0	-800
Communication	6,500	6,500	6,600	0	-100
Elec, Gas, & Sanitary Services	8,200	8,200	8,900	0	-700
WHOLESALE & RETAIL TRADE	135,700	135,900	131,600	-200	4,100
WHOLESALE TRADE	23,500	23,600	23,200	-100	300
Durable Goods	13,600	13,700	13,400	-100	200
Nondurable Goods	9,900	9,900	9,800	0	100
RETAIL TRADE	112,200	112,300	108,400	-100	3,800
Bldg Material & Mobile Homes	4,500	4,600	4,300	-100	200
General Merchandise Stores	12,300	12,400	12,000	-100	300
Food Stores	15,100	15,200	15,000	-100	100
Auto Dealers & Service Stations	14,100	14,000	14,000	100	100
Apparel & Accessories	5,500	5,400	5,400	100	100
Furniture & Furnishing	4,400	4,300	4,400	100	0
Eating & Drinking Places	44,100	44,100	41,400	0	2,700
Miscellaneous Retail	12,200	12,300	11,900	-100	300
FINANCE, INSURANCE, & REAL ESTATE	27,800	27,800	27,400	0	400
Banking	8,000	8,000	8,100	0	-100
Insurance Carriers	4,300	4,300	4,100	0	200
Insur Agents, Brokers & Service	3,100	3,100	3,000	0	100
Real Estate	6,600	6,600	6,300	0	300
Other Fin, Ins & Real Estate	5,800	5,800	5,900	0	-100
SERVICES	135,900	134,900	130,000	1,000	5,900
Hotels & Other Lodging Places	12,700	12,500	12,100	200	600
Personal Services	5,900	6,000	6,100	-100	-200
Business Services	33,300	33,000	31,700	300	1,600
Health Services	32,600	32,500	31,900	100	700
Legal Services	4,700	4,600	4,500	100	200
Educational Services	4,200	4,300	4,100	-100	100
Social Services	7,700	7,700	7,500	0	200
Membership Organizations	8,600	8,500	7,900	100	700
Other Services	26,200	25,800	24,200	400	2,000
TOTAL GOVERNMENT	137,100	141,700	133,600	-4,600	3,500
FEDERAL GOVERNMENT	31,500	31,400	30,300	100	1,200
STATE & LOCAL GOVERNMENT	105,600	110,300	103,300	-4,700	2,300
State Government 2/	45,700	46,500	44,500	-800	1,200
Universities	17,600	18,100	16,900	-500	700
Local Government	59,900	63,800	58,800	-3,900	1,100
Schools	34,300	37,800	33,300	-3,500	1,000

1/ Estimates include all full-time and part-time wage and salary workers who worked or received pay during the pay period which included the 12th day of the month. Self-employed, family workers, household workers and members of the Armed Forces are excluded.
2/ Includes employees of Los Alamos National Laboratory.

ALBUQUERQUE AREA (BERNALILLO COUNTY)

Albuquerque's unemployment rate is now at 5.1 percent or 0.9 of a percentage point lower than in June. Unemployment decreased by 2,500 since June, and Albuquerque job seekers numbered 3,500 less than in July 1988. The decline in the labor force of 1,700 may be due to students leaving the labor force as the summer wears on.

According to the monthly survey of employers in Albuquerque, nonagricultural employment was up slightly - 200 jobs since June. Employment in construction (+100), trade (+400) and services (+200) posted gains for the month. Manufacturing and the government sector were down since June: manufacturing lost 200 and government 500 jobs. The manufacturing loss was due to a temporary summer layoff at a local plant. The government loss is due to school-related layoffs that are still trickling in.

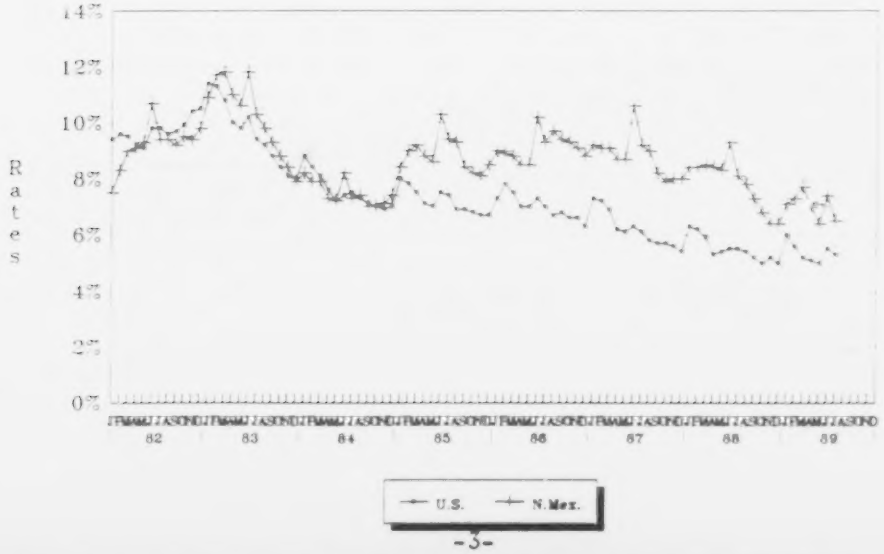
Transportation/public utilities and finance, insurance & real estate both increased by 100 since June.

Total nonagricultural employment in Bernalillo County grew by 5,600 since July 1988 for a 2.4 percent year-to-year increase. Manufacturing was up by 1.5 percent with the gain of 300 concentrated in the nondurable goods subsector. Transportation & public utilities increased by 400 jobs or 3.3 percent over the year, while retail trade has increased by a substantial 1,400 jobs. The finance, insurance & real estate sector was up by 500 jobs over the year, with increases of 100 in banking, 300 in insurance and 100 in "other finance". Service employment grew by 1,500 - most subsectors reported annual job growth with the notable exception of lodging places which showed no change over the year. Government increased by 2,000 jobs over last June, with federal up by 500 and state & local up by 1,500 jobs.

	Prel.	Revised		Change From	
	July 1989	June 1989	July 1988	June 1989	July 1988
Civilian Labor Force	265,800	267,500	266,000	-1,700	- 200
Employment	252,300	251,500	249,000	+ 800	+3,300
Unemployment	13,500	16,000	17,000	-2,500	-3,500
Rate	5.1%	6.0%	6.4%		

Unemployment Rates

Not Seasonally Adjusted



ESTIMATED NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (JOBS)
(Prepared in cooperation with the U.S. Bureau of Labor Statistics)

ALBUQUERQUE MSA (BERNALILLO COUNTY)	PRELIM JUL 1989	REVISED JUN 1989	REVISED JUL 1988	JUL CHANGE FROM JUN 1989	JUL CHANGE FROM JUL 1988
TOTAL NONAGRICULTURAL EMPLOYMENT 1/	239,700	239,500	234,100	200	5,600
MINING	100	100	200	0	-100
CONSTRUCTION	14,900	14,800	15,300	100	-400
MANUFACTURING	20,600	20,800	20,300	-200	300
Durable Goods	14,700	14,900	14,700	-200	0
Nondurable Goods	5,900	5,900	5,600	0	300
TRANSPORTATION & PUBLIC UTILITIES	12,700	12,600	12,300	100	400
Transportation	5,900	5,800	5,300	100	600
Communication	3,600	3,600	3,600	0	0
Elec, Gas, & Sanitary Services	2,200	2,200	2,400	0	-200
WHOLESALE & RETAIL TRADE	62,200	61,800	60,800	400	1,400
WHOLESALE TRADE	14,500	14,400	14,400	100	100
Durable Goods	9,600	9,500	9,500	100	100
Nondurable Goods	4,900	4,900	4,900	0	0
RETAIL TRADE	47,700	47,400	46,400	300	1,300
General Merchandise Stores	4,900	4,800	4,800	100	100
Food Stores	5,400	5,400	5,300	0	100
Auto Dealers & Service Stations	5,100	5,000	5,000	100	100
Eating & Drinking Places	19,200	19,200	18,600	0	600
Other Retail Trade	13,100	13,000	12,700	100	400
FINANCE, INSURANCE, & REAL ESTATE	15,500	15,400	15,000	100	500
Banking	3,400	3,400	3,300	0	100
Ins Carriers, Agents & Brokers	4,800	4,700	4,500	100	300
Other Fin, Ins & Real Estate	7,300	7,300	7,200	0	100
SERVICES	67,600	67,400	66,100	200	1,500
Hotels & Other Lodging Places	3,800	3,800	3,800	0	0
Personal Services	3,100	3,100	3,000	0	100
Business Services	22,300	22,300	22,100	0	200
Health Services	15,300	15,300	15,000	0	300
Social Services	3,300	3,300	3,100	0	200
Membership Organizations	2,300	2,200	2,200	100	100
Other Services	17,500	17,400	16,900	100	600
TOTAL GOVERNMENT	46,100	46,600	44,100	-500	2,000
FEDERAL GOVERNMENT	13,700	13,700	13,200	0	500
STATE & LOCAL GOVERNMENT	32,400	32,900	30,900	-500	1,500
State Government	10,700	10,800	10,400	-100	300
Local Government	21,700	22,100	20,500	-400	1,200

1/ Estimates include all full-time and part-time wage and salary workers who worked or received pay during the pay period which included the 12th day of the month. Self-employed, family workers, household workers and members of the Armed Forces are excluded.

ESTIMATED NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT (JOBS)
(Prepared in cooperation with the U.S. Bureau of Labor Statistics)

LAS CRUCES MSA (DONA ANA COUNTY) 1/	PRELIM JUL 1989	REVISED JUN 1989	REVISED JUL 1988	JUL CHANGE FROM JUN 1989	JUL CHANGE FROM JUL 1988
TOTAL NONAGRICULTURAL EMPLOYMENT 2/	39,400	40,900	38,850	-1,500	550
MINING	50	50	50	0	0
CONSTRUCTION	2,400	2,400	2,300	0	100
MANUFACTURING	3,600	3,600	3,750	0	-150
Durable Goods	1,600	1,600	1,650	0	-50
Nondurable Goods	2,000	2,000	2,100	0	-100
TRANSPORTATION & PUBLIC UTILITIES	1,200	1,200	1,250	0	-50
Transportation	350	350	350	0	0
Comm, Elec, Gas & Sanitary Svs	850	850	900	0	-50
WHOLESALE & RETAIL TRADE	8,950	9,150	8,750	-200	200
WHOLESALE TRADE	950	1,000	900	-50	50
RETAIL TRADE	8,000	8,150	7,850	-150	150
General Merchandise Stores	850	850	900	0	-50
Food Stores	1,150	1,200	1,150	-50	0
Auto Dealers & Service Stations	1,050	1,050	950	0	100
Eating & Drinking Places	3,100	3,200	3,100	-100	0
Other Retail Trade	1,850	1,850	1,750	0	100
FINANCE, INSURANCE, & REAL ESTATE	1,800	1,750	1,750	50	50
SERVICES	6,600	6,650	6,300	-50	300
Hotels & Other Lodging Places	700	700	700	0	0
Business Services	1,400	1,400	1,300	0	100
Health Services	1,900	1,850	1,800	50	100
Social Services	300	300	300	0	0
Other Services	2,300	2,400	2,200	-100	100
TOTAL GOVERNMENT	14,800	16,100	14,700	-1,300	100
FEDERAL GOVERNMENT	4,300	4,400	4,300	-100	0
STATE & LOCAL GOVERNMENT	10,500	11,700	10,400	-1,200	100
State Government	5,600	6,100	5,300	-500	300
Local Government	4,900	5,600	5,100	-700	-200

SANTA FE MSA (SANTA FE & LOS ALAMOS COUNTIES) 1/	PRELIM JUL 1989	REVISED JUN 1989	REVISED JUL 1988	JUL CHANGE FROM JUN 1989	JUL CHANGE FROM JUL 1988
TOTAL NONAGRICULTURAL EMPLOYMENT 2/	57,950	57,450	56,950	500	1,000
MINING	100	100	100	0	0
CONSTRUCTION	2,700	2,600	2,800	100	-100
MANUFACTURING	1,700	1,650	1,700	50	0
Durable Goods	1,100	1,050	1,050	50	50
Nondurable Goods	600	600	650	0	-50
TRANSPORTATION & PUBLIC UTILITIES	1,100	1,100	1,150	0	-50
Transportation	450	450	450	0	0
Comm, Elec, Gas & Sanitary Svs	650	650	700	0	-50
WHOLESALE & RETAIL TRADE	11,600	11,600	11,100	0	500
WHOLESALE TRADE	900	900	850	0	50
RETAIL TRADE	10,700	10,700	10,250	0	450
General Merchandise Stores	950	950	950	0	0
Food Stores	1,300	1,300	1,200	0	100
Auto Dealers & Service Stations	850	850	800	0	50
Eating & Drinking Places	4,900	4,900	4,700	0	200
Other Retail Trade	2,700	2,700	2,600	0	100
FINANCE, INSURANCE, & REAL ESTATE	1,950	1,950	2,000	0	-50
SERVICES	16,000	15,700	15,700	300	300
Hotels & Other Lodging Places	2,350	2,250	2,300	100	50
Business Services	3,500	3,500	3,400	0	100
Health Services	3,600	3,600	3,500	0	100
Social Services	750	750	700	0	50
Other Services	5,800	5,600	5,800	200	0
TOTAL GOVERNMENT	22,800	22,750	22,400	50	400
FEDERAL GOVERNMENT	1,700	1,650	1,700	50	0
STATE & LOCAL GOVERNMENT	21,100	21,100	20,700	0	400
State Government 3/	17,100	16,900	16,600	200	500
Local Government	4,000	4,200	4,100	-200	-100

1/ In accordance with the CES Manual, those published cells with less than 2,000 employees are rounded to nearest 50. Those published cells with more than 2,000 employees are rounded to 100.
2/ Estimates include all full-time and part-time wage and salary workers who worked or received pay during the pay period which included the 12th day of the month. Self-employed, family workers, household workers and members of the Armed Forces are excluded.
3/ Includes employees of Los Alamos National Laboratory.

AVERAGE HOURS AND EARNINGS
Hours and Earnings of Production, Construction and Nonsupervisory Employees
(Prepared in cooperation with the U. S. Bureau of Labor Statistics)

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
NEW MEXICO	JUL 1989	JUN 1989	JUL 1988	JUL 1989	JUN 1989	JUL 1988	JUL 1989	JUN 1989	JUL 1988
MINING	$550.62	$543.56	$535.93	43.7	43.8	42.5	12.60	12.41	12.61
CONSTRUCTION	$453.46	$435.57	$424.86	39.5	39.1	37.9	11.48	11.14	11.21
MANUFACTURING	$349.05	$344.67	$357.54	39.0	39.8	40.4	8.95	8.66	8.85
Durable Goods	$367.83	$357.40	$372.28	40.2	39.8	41.0	9.15	8.98	9.08
Nondurable Goods	$304.00	$311.65	$321.83	38.0	39.7	39.2	8.00	7.85	8.21
COMMUNICATION & UTILITIES	$599.11	$574.78	$579.36	42.4	41.5	40.8	14.13	13.85	14.20
WHOLESALE & RETAIL TRADE	$225.55	$220.95	$217.99	32.5	31.7	32.2	6.94	6.97	6.77
Wholesale Trade	$381.02	$383.96	$363.70	39.2	39.1	36.7	9.72	9.82	9.91
Retail Trade	$195.62	$189.98	$189.37	31.2	30.3	31.3	6.27	6.27	6.05
BANKING	$264.65	$248.82	$229.80	39.5	37.7	38.3	6.70	6.60	6.00
ALBUQUERQUE MSA	JUL 1989	JUN 1989	JUL 1988	JUL 1989	JUN 1989	JUL 1988	JUL 1989	JUN 1989	JUL 1988
MANUFACTURING	$380.89	$378.55	$379.36	39.8	40.4	40.4	9.57	9.37	9.39
Durable Goods	$406.37	$402.62	$395.50	40.8	41.0	40.9	9.96	9.82	9.67
Nondurable Goods	$305.07	$306.10	$325.47	36.8	38.6	38.7	8.29	7.93	8.41

NOTE: Estimates include all full-time and part-time wage and salary workers who worked or received pay during the pay period which included the 12th day of the month. Self-employed, family workers, household workers and members of the Armed Forces are excluded. The average earnings are "gross" reflecting not only changes in basic hourly and incentive wage rates but also such factors as premium pay for overtime and shift differentials. The work week information relates to the average hours for which pay was received, and is different from standard or scheduled hours due to absenteeism, labor turnover, part time work, overtime work etc.

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U.S. CONSUMER PRICE INDEX

Historical data for the CPI series are available from the U.S. Department of Labor by writing to the Bureau of Labor Statistics, 525 Griffin St., Rm. 221, Dallas, TX 75202, or by calling (214) 767-6970.

	July 1989	June 1989	July 1988	Percent Change June '89-July '89	Percent Change July '88-July '89
CPI-U	124.4	124.1	118.5	+0.2%	+5.0%
CPI-W	123.2	122.8	117.2	+0.3%	+5.1%

Index Base Year 1982-84 = 100

CPI-U - All Urban Consumers
CPI-W - Urban Wage Earners and Clerical Workers

Source: U.S. Department of Labor, Bureau of Labor Statistics

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Area Economic Activity

Statewide - **New Mexico's per capita income** of $12,488 for 1988 increased by 5 percent while falling from 44th to 45th on a national ranking. New Mexico is still below the national average; however, its 5 percent growth is an improvement compared to the 3.6 percent growth in per capita income for 1987. All **Quality Plus** grocery stores in New Mexico are scheduled to close by the end of this summer. Quality Plus Senior Vice President Ray Knight has stated that it is not financially possible for the company to continue. Quality Plus Inc. is relinquishing its assets to its only secured lender, Citicorp North America Inc. Grocery stores closing include Hobbs, Lovington, Portales, Roswell, Espanola, Las Vegas, Silver City, Clovis, Alamogordo and Artesia. **New Mexico** and Mississippi will be competing for a $2.7 million federal grant to fund programs aimed at helping economically and academically disadvantaged children. The U.S. Department of Labor has awarded New Mexico and Mississippi $75,000 each to develop a Job Training Partnership Act model program for "at-risk youths". The New Mexico Department of Labor will direct the state's efforts to obtain the $2.7 million grant. In a national ranking by state, **New Mexico teacher** salaries dropped from a ranking of 37th last year to 40th this year after falling from 28th in 1987, according to a survey by the American Federation of Teachers. The average New Mexico teacher's salary is $24,554 while the national average is $29,629. Governor Garrey Carruthers has proposed incorporating the **New Mexico State Fair** into the Economic Development and Tourism Department and eliminating its independent status. Carruthers stated that the proposed reorganization would provide for State Fair budgets to be reviewed by the executive and legislative branches of government and also make the State Fair eligible for state-level capital outlay funds. His request will be made at next year's legislative session. The **U.S. Department of Housing and Urban Development** has allocated more than $7 million in housing grants for New Mexico Indian tribes. **Santa Fe Railway** is reducing its management staff by approximately 450 people or 14 percent nationwide. Nearly all of these reductions are being achieved through early retirement or a voluntary severance program. Twenty-one Santa Fe Railway jobs in the New Mexico railway division, which includes west Texas, are being eliminated. Positions eliminated include four jobs in Amarillo, five in Albuquerque, one in Carlsbad, eight in Belen and three in Clovis. Seventy Clovis railway jobs have been eliminated in the past year with most of the employees being transferred to the Albuquerque area. This brings the number of Clovis-based railroad employees down to about 400. The **Pizza Hut** chain restaurants have hired more than 40 workers with disabilities in New Mexico, and Pizza Hut has been making a concerted effort nationally to hire people with physical or developmental disabilities. Nationally, Pizza Hut plans to hire about 2,000 more people with disabilities over the next three years. A $500,000 federal grant was provided to help administer the program nationally. Chris Isengard, executive director of Career Services for the Handicapped, stated that funding agencies are moving toward supported employment which includes on-the-job training. Most "supported employment" has been in the service industry with some in other types of companies.

Albuquerque Area - **Honeywell Inc.** has announced that it will cut 4,000 jobs from its national corporate payroll, retreat from its $1.4 million weapons business and provide added cash to its shareholders. A local corporate spokesperson was unable to state whether any jobs at Honeywell's Albuquerque plant would be affected by the cutback. In another Honeywell development, the Honeywell Defense Avionics Systems Division in Albuquerque has ceased work on its electronic flight control system contract, one of four contracts Honeywell has on the new U.S. Air Force C-17 transport, and cut up to 200 jobs or 14 percent of the division's workforce of 2,700 at its Albuquerque facility in August. At least 100 of these employees have already been transferred to other positions in the plant. **Courtyard by Marriott**, a four-story hotel building, opened in early August employing about 45 people. The 150-room hotel is located at Gibson and Yale near the Albuquerque International Airport. In addition, Residence Inn, a 112-room Marriott hotel, recently broke ground at I-40 near Carlisle. By year end, Marriott Corp. will have built 145 Courtyards nationwide with plans to have 300 hotels by mid-1990. Construction of a new **K-Mart** in Rio Rancho began in August. K-Mart will be the largest store in Hilltop Plaza community shopping center. **Newberry Inc.**, a variety store, opened at two locations in late July employing a total of 32 employees. One location is Wyoming N.E. and the other is Coors and Corrales.

Alamogordo / Carrizozo / Cloudcroft Area - In mid-July, **U.S. Forest officials** lifted a fire ban on open flame camp fires in the Lincoln National Forest. **Belco Industries Inc.**, an assembler of welding equip-

ment, in Carrizozo, has laid off 14 employees, reducing its workforce to 9. A new post office has been approved for Cloudcroft--the existing post office will be converted to a video and book store.

Belen / Los Lunas - A new 15-acre shopping center will be developed in Los Lunas including a major discount department store, an Albertson's, a Walgreen's, and a series of smaller retail shops and restaurants. The development should result in up to 115 new jobs. Village officials stated the project should begin in November with completion scheduled for early 1991. The 60-room **Super 8 Motel** on South Main Street in Belen is expected to be completed within a year.

Clovis Area - Seven Clovis **Pepsi-Cola** employees were laid off in late June as a result of a new distribution agreement with Southwest Coca-Cola Bottling Company. Coca-Cola purchased distribution rights for Dr Pepper and Seven-Up. Southwest is the parent company of Clovis' Coca-Cola and Sprite Bottling Company. **Wal-Mart Stores Inc.** have announced plans to expand and remodel the Clovis store creating an additional 30 jobs.

Espanola Area - A request for a $7 million grant for funding of Plaza de Espanola has been turned down by the federal Economic Development Administration for the second year in a row.

Farmington Area - An Albuquerque Journal article has described a mini-boom in **San Juan County** based on drilling for coal seam methane gas. A federal tax credit for coal seam drilling expires at the end of the year and a credit for production continues for ten years after that. Several companies, including Dawn Trucking Co., Western Company of North America and Drake Well Service have added employees to their payrolls in this bright spot in an otherwise dismal oil and gas picture. Also, at least two pipeline companies are planning to extend lines for transporting the gas. Dedication of the new **General Dynamics** plant at the Navajo Agricultural Products Industry Industrial Park south of Farmington was held in early July. U.S. **Enertek** of Farmington, which has filed for Chapter 11 bankruptcy, laid off four management employees in an effort to reduce overhead.

Grants / Gallup Area - **Mount Taylor**, the last uranium mine in full production in the Grants area, and the richest uranium mine on the continent, will close in mid-October unless the company finds a buyer or partner. About 180 people will lose their jobs with a small crew remaining until about December when the mine will be allowed to flood. A Chevron Resources spokesperson stated that conditions in the international uranium market make the closure necessary. The **Crownpoint Institute of Technology**, in Gallup, has been awarded $96,570 in federal funding for its Young Navajo Small Business and Entrepreneurship Training Program. **Cibola General Hospital** began work on a $800,000, 10-month, construction plan for enlarging the dining area, installing a new hot water system, and adding bathroom facilities to the patient rooms.

Hobbs Area - **New Mexico Junior College** will be building two dormitories with 50 rooms housing 100 students. The dormitories will be financed with $2.5 million in bonds.

Las Cruces / Chamberino Area - **Alpo Petfoods Inc.** will begin manufacturing cat food and kick off a multimillion-dollar advertising campaign. Alpo's entry into the cat-food business will boost employment at the company's Chamberino, N.M., plant by 20 percent next year adding 20 to 40 employees.

Lovington Area - The **New Mexico Junior College** in Lovington has been selected as a training site for Ford Motor Company automotive technicians. The college already trains General Motors technicians.

Roswell / Artesia Area - **NTS Communications**, a new long distance telephone company, held a grand opening in Roswell. NTS officials say they will open offices in Artesia, Carlsbad, Clovis, Dexter, Hagerman, Portales and Ruidoso. Transport Technology Corp. (TTC) and Penske Truck Leasing agreed to form a new freight hauling company in Roswell, **TTC Transport**. TTC Transport expects to initially employ 20 to 25 people. TTC Transport will feature top-of-the-line trucks, professional drivers and state-of-the-art technology. **McCrory's Store** (TG&Y) closed the end of July. **City building permits** issued for July are up compared to 1988. Figures provided by the city show 383 permits issued, valued @ $6,391,504 this year, compared to 370 permits issued, valued @ $5,819,733 in 1988. **Transportation Manufacturing Corp. (TMC)** will build 56 buses and increase employment by 250 people filling a $13 million contract with the Republic of China (Taiwan). Production is expected to begin in late August and the buses will be delivered within 90 days. Officials also announced they will compete in negotiations to fill additional orders for the Taiwan government next year.

Santa Fe Area - **Sangre de Cristo Community Mental Health Services** has laid off 66 of its 80 employees. The state Health and Environment Department did not renew its mental health services contract with Sangre de Cristo. Construction is scheduled to begin in August on a **$4.5 million hotel, Plaza Real,** located on the present site of a Washington Avenue parking lot in downtown Santa Fe. The partnership that plans to build Plaza Real also purchased the **Fiesta Inn** on Cerrillos Road and will renovate it. In another development, **"Hotel Santa Fe"**, an $11 million collaboration between Picuris Pueblo and developers will begin construction in February. The 140-room hotel will be ready for occupancy in April 1991. A project to build **townhouses** priced from $48,000 to $84,000 is to begin this summer on Camino Carlos Rey. One-hundred and one notices of layoff, required by state personnel regulations, are being sent to medical employees of the **New Mexico Corrections Department** as the agency prepares to hire a private company to provide adult medical services statewide. The proposed contract with Correctional Medical Systems, a Missouri- based firm, specifies that current employees be given first consideration for positions. Corrections officials feel that most of the 101 employees will be offered jobs back at comparable or better pay. All of the positions are being eliminated October 1st. **House sales in Santa Fe** were up by 11 percent the first six months of the year. A total of 401 homes were sold from January 1 to June 30 compared to 360 in the same period last year. The median price of a home sold in Santa Fe the first six months of 1989 was $125,000 and the average price of a home in the period was $153,325, while in the first half of 1988, the average sales price was $133,381. **Bright Beginnings**, an Albuquerque-based chain of child care and development centers, opened in Santa Fe. Since its founding in 1981, Bright Beginnings has grown to include six locations caring for 1,000 children.

Silver City / Reserve Area - An owl expert for the U.S. Forest Service stated that the Mexican spotted owl habitat in the **Gila National Forest** is doing very well. If so, protected timber stands could be reopened for logging this winter. Another issue of concern to environmental organizations is whether logging practices in the Gila National Forest and other national forests in New Mexico threaten the few ancient forests left in the Southwest. Two Silver City movie theaters, the **Gila Theatre** and the **Real West Cinema**, have closed down after having experienced low attendance and high film rental costs.

Taos / Questa Area - **Molycorp Inc.** resumed production at its Questa molybdenum operation in Northern New Mexico at about 10 to 12 million pounds of molybdenum annually, half of normal production capacity. Full capacity production could be achieved in three years. A work force of nearly 200 began working in shifts around the clock, and a workforce of 300 is expected by next April. The Questa mine will supply about 5 percent of the world's annual production of the mineral. A new tailings pond is still a bone of contention between Molycorp and local environmental organizations.

Tucumcari Area - **Grain Power Tucumcari Ltd.**, New Mexico's second largest ethanol plant, stopped production in early August. The company cited lost revenue due to a reduction in the industry's state gasoline tax exemption as the reason for ending production. Negotiations are currently being considered for a buyer. Grain Power had a production capacity of about 3 million gallons a year.

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New Mexico Department of Labor, in conjunction with New Mexico State Occupational Information Coordinating Committee, New Mexico Vocational Education and New Mexico Vocational Rehabilitation, will jointly sponsor an exhibit booth at the New Mexico State Fair in the Manuel Lujan Jr. Exhibit Complex, September 8 through September 24, 1989. Free copies of agency publications and other information will be available. Please stop by and see us.

INDUSTRIAL SECTOR EMPLOYMENT PATTERNS, 1980 - 1988
U.S. and New Mexico

The following is a brief comparison of trends in industrial sector employment in both New Mexico and the U.S. over the last nine years.

The years between 1980 and 1988 saw both significant progress and problems in the New Mexico economy. Progress is shown by the 16.1 percent increase in New Mexico nonagricultural wage and salary employment over this period, compared to a national increase of 17.3 percent, showing a New Mexico track record only slightly slower than that of the U.S. Significant differences between U.S. and New Mexico annual average growth rates are apparent in the various sectors of the employment structure (See Table 1). An especially interesting contrast is evident between national and New Mexico trends in the manufacturing sector, where U.S. employment declined by 3.7 percent between 1980 and 1988 while New Mexico increased by 16.0 percent. Mining sector employment in both the U.S. and New Mexico fell over the nine year period, the U.S. by 28.6 percent and New Mexico by 47.6 percent, evidence of a structural decline in employment requirements in this sector. Divergent trends emerge in the construction sector, with U.S. construction employment increasing by 21.6 percent while New Mexico suffered a 5.9 percent fall. Transportation & public utilities employment increased by 8.5 percent nationally but by only 2.1 percent in New Mexico, a reflection of the difficulties experienced by the Public Service Company over the past few years. The remaining sectors (trade, finance, services, and government) tended to demonstrate comparable percentage increases, although the government sector grew by 12.6 percent in New Mexico and by 7.1 percent nationally.

Changes in the proportion of total employment in each industrial sector are a key indication of basic economic direction. Several dramatic changes have occurred over the past eight years in both national and state economies (See Table 2). Manufacturing employment has fallen from 22.4 to 18.4 percent of U.S. total nonagricultural wage and salary employment, while in New Mexico the proportion has remained virtually unchanged. The number of manufacturing jobs in New Mexico increased by 5,500 over this time period, from 34,400 to 39,900. The mining sector lost almost 300,000 jobs or 29 percent nationally while mining employment in New Mexico nearly halved, with some 14,000 jobs lost. Construction increased nationally from 4.8 to 5.0 percent of total employment as New Mexico construction declined from 6.9 to 5.6 percent of the total, an estimated 1,900 jobs lost over the eight years on an annual average basis. Transportation & public utilities employment fell slightly as a proportion of total employment both nationally and in New Mexico. The proportion of total employment represented by the trade, finance and services sectors rose both nationally and in the state, while the government employment proportion declined slightly in both.

In assessing the impact of these changes on the New Mexico workforce, it is crucial to note that mining, construction, and transportation/public utilities - the three sectors that declined significantly as a proportion of total employment - are also the subsectors paying the highest wages to production, construction and nonsupervisory personnel.

Table 1
Employment by Industry Group

AREA / INDUSTRY	1988	1987	1980	Change From 1987 - 1988 #	1987 - 1988 %	1980 - 1988 #	1980 - 1988 %
UNITED STATES 1/							
Nonagricultural Wage & Salary	106,039	102,310	90,406	3,729	3.6%	15,633	17.3%
Manufacturing	19,539	19,065	20,285	474	2.5%	(746)	-3.7%
Mining	733	721	1,027	12	1.7%	(294)	-28.6%
Construction	5,293	4,998	4,346	295	5.9%	947	21.8%
Transportation & Public Utilities	5,584	5,385	5,146	199	3.7%	438	8.5%
Wholesale & Retail Trade	25,362	24,381	20,310	981	4.0%	5,052	24.9%
Finance, Insurance & Real Estate	6,679	6,549	5,160	130	2.0%	1,519	29.4%
Services & Miscellaneous	25,464	24,196	17,890	1,268	5.2%	7,574	42.3%
Government	17,387	17,015	16,241	372	2.2%	1,146	7.1%
NEW MEXICO							
Nonagricultural Wage & Salary	540,400	529,300	465,400	11,100	2.1%	75,000	16.1%
Manufacturing	39,900	38,300	34,400	1,600	4.2%	5,500	16.0%
Mining	15,400	14,900	29,400	500	3.4%	(14,000)	-47.6%
Construction	30,200	32,100	32,100	(1,900)	-5.9%	(1,900)	-5.9%
Transportation & Public Utilities	28,900	28,800	28,300	100	0.3%	600	2.1%
Wholesale & Retail Trade	130,400	127,700	103,400	2,700	2.1%	27,000	26.1%
Finance, Insurance & Real Estate	27,000	26,900	21,100	100	0.4%	5,900	28.0%
Services & Miscellaneous	127,900	123,000	91,800	4,900	4.0%	36,100	39.3%
Government	140,800	137,600	125,000	3,200	2.3%	15,800	12.6%

1\ Numbers in Thousands

Note: Industry classification is according to 1972 Standard Industrial Classification Manual (SIC).
Data reflects number of jobs, by place of work.
Source: ES-202 and Current Employment Statistics Program
Data subject to revision
5/89

Table 2
Proportions of Employment by
Industry Group 1980 - 1988

AREA / INDUSTRY	1988	1987	1980	Change From 1987 - 1988 #	1987 - 1988 %	1980 - 1988 #	1980 - 1988 %
UNITED STATES 1/							
Nonagricultural Wage & Salary	100.0	100.0	100.0	0.0	0%	0.0	0%
Manufacturing	18.4	18.6	22.4	-0.2	-1%	-4.0	-18%
Mining	0.7	0.7	1.1	0.0	-2%	-0.4	-39%
Construction	5.0	4.9	4.8	0.1	2%	0.2	4%
Transportation & Public Utilities	5.3	5.3	5.7	0.0	0%	-0.4	-8%
Wholesale & Retail Trade	23.9	23.8	22.5	0.1	0%	1.5	7%
Finance, Insurance & Real Estate	6.3	6.4	5.7	-0.1	-2%	0.6	10%
Services & Miscellaneous	24.0	23.6	19.8	0.4	2%	4.2	21%
Government	16.4	16.6	18.0	-0.2	-1%	-1.6	-9%
NEW MEXICO							
Nonagricultural Wage & Salary	100.0	100.0	100.0	0.0	0%	0.0	0%
Manufacturing	7.4	7.2	7.4	0.1	2%	0.0	0%
Mining	2.8	2.8	6.3	0.0	1%	-3.5	-55%
Construction	5.6	6.1	6.9	-0.5	-8%	-1.3	-19%
Transportation & Public Utilities	5.3	5.4	6.1	-0.1	-2%	-0.7	-12%
Wholesale & Retail Trade	24.1	24.1	22.2	0.0	0%	1.9	9%
Finance, Insurance & Real Estate	5.0	5.1	4.5	-0.1	-2%	0.5	10%
Services & Miscellaneous	23.7	23.2	19.7	0.4	2%	3.9	20%
Government	26.1	26.0	26.9	0.1	0%	-0.8	-3%

1\ Numbers in Thousands

Note: Industry classification is according to 1972 Standard Industrial Classification Manual (SIC).
Data reflects number of jobs, by place of work.

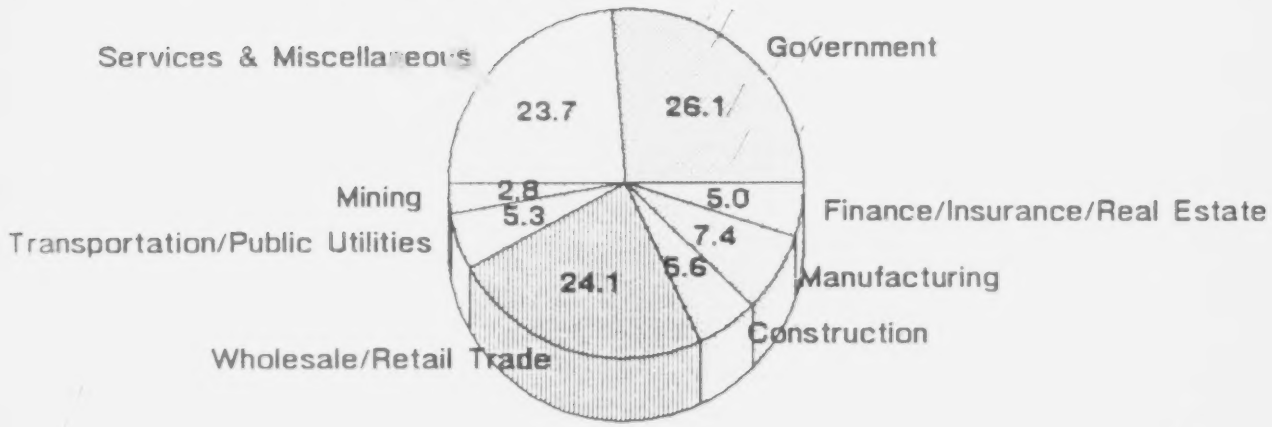
5/89

NEW MEXICO

NONAGRICULTURAL WAGE & SALARY EMPLOYMENT

(Percentages)

1988

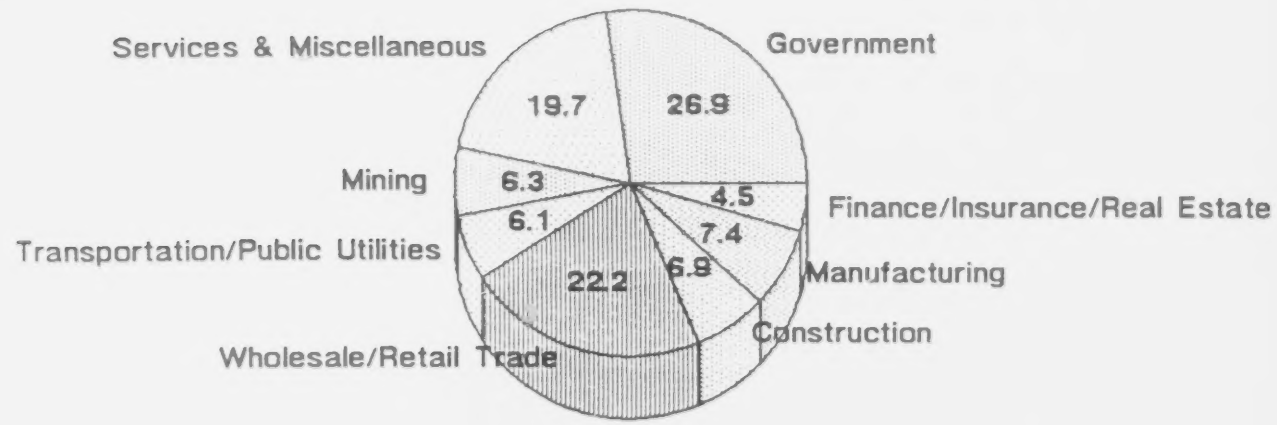


NEW MEXICO

NONAGRICULTURAL WAGE & SALARY EMPLOYMENT

(Percentages)

1980

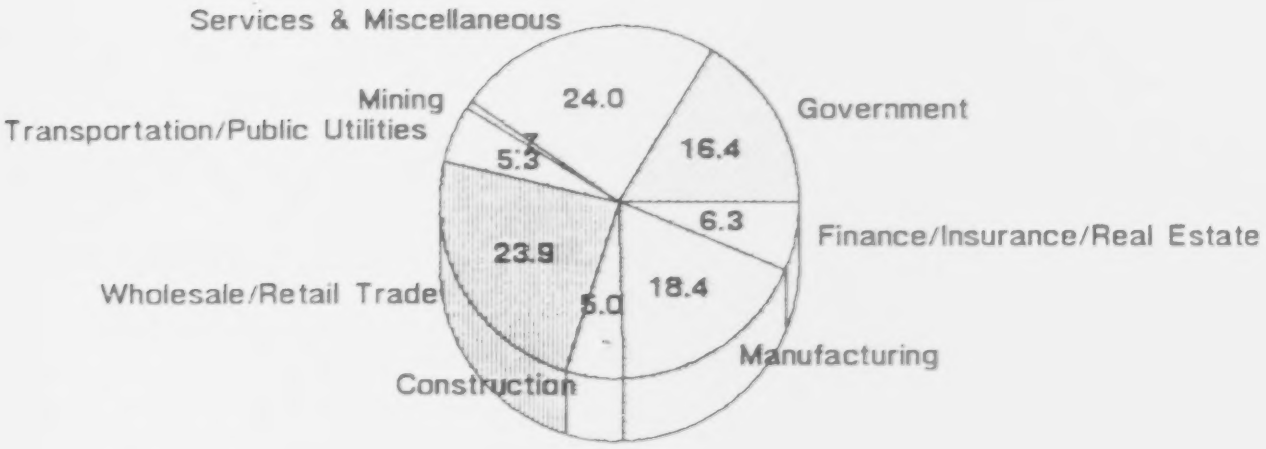


UNITED STATES

NONAGRICULTURAL WAGE & SALARY EMPLOYMENT

(Percentages)

1988

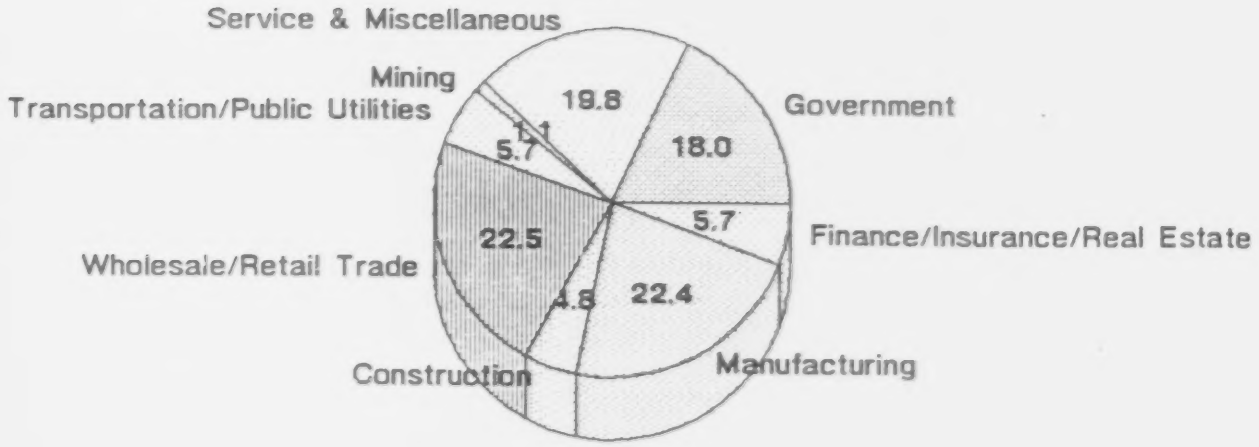


UNITED STATES

NONAGRICULTURAL WAGE & SALARY EMPLOYMENT

(Percentages)

1980



NEW MEXICO LABOR FORCE ESTIMATES 1/

	PRELIMINARY JULY 1989				REVISED JUNE 1989				REVISED JULY 1988			
	Labor Force	Empl.	Unemp.	Rate	Labor Force	Empl.	Unemp.	Rate	Labor Force	Empl.	Unemp.	Rate
STATEWIDE	694,045	649,121	44,924	6.5%	698,729	647,088	51,641	7.4%	696,492	640,365	56,127	8.1%
ALBUQUERQUE MSA 2/	265,893	252,345	13,548	5.1%	267,535	251,542	15,993	6.0%	265,976	248,955	17,021	6.4%
LAS CRUCES MSA 3/	55,321	51,382	3,939	7.1%	56,740	52,327	4,413	7.8%	55,157	50,872	4,285	7.8%
SANTA FE MSA 4/	69,350	66,513	2,837	4.1%	68,385	65,531	2,854	4.2%	69,508	66,039	3,469	5.0%
Catron	1,258	1,184	74	5.9%	1,196	1,106	90	7.5%	1,246	1,119	127	10.2%
Chaves	23,914	22,523	1,391	5.8%	24,238	22,721	1,517	6.3%	23,581	22,072	1,509	6.4%
Cibola	9,204	8,117	1,087	11.8%	9,493	8,291	1,202	12.7%	9,429	8,300	1,129	12.0%
Colfax	7,029	6,522	507	7.2%	6,995	6,296	699	10.0%	7,674	6,517	1,157	15.1%
Curry	16,630	15,471	1,159	7.0%	16,458	15,256	1,202	7.3%	16,448	15,312	1,136	6.9%
De Baca	901	831	70	7.8%	932	860	72	7.7%	981	867	114	11.6%
Eddy	19,915	18,420	1,495	7.5%	20,206	18,473	1,733	8.6%	20,170	18,305	1,865	9.2%
Grant	10,491	9,652	839	8.0%	10,631	9,803	828	7.8%	10,434	9,545	889	8.5%
Guadalupe	1,742	1,556	186	10.7%	1,772	1,537	235	13.3%	1,647	1,392	255	15.5%
Harding	384	337	47	12.2%	421	360	61	14.5%	408	356	52	12.7%
Hidalgo	2,684	2,559	125	4.7%	2,578	2,435	143	5.5%	2,532	2,360	172	6.8%
Lea	22,886	21,321	1,565	6.8%	23,070	21,324	1,746	7.6%	22,940	21,186	1,754	7.6%
Lincoln	7,422	7,179	243	3.3%	7,033	6,737	296	4.2%	7,368	6,917	451	6.1%
Luna	5,995	5,361	634	10.6%	6,047	5,321	726	12.0%	6,116	5,264	852	13.9%
McKinley	17,557	15,897	1,660	9.5%	18,036	16,168	1,868	10.4%	18,298	16,158	2,140	11.7%
Mora	1,141	885	256	22.4%	1,170	853	317	27.1%	1,301	878	423	32.5%
Otero	18,591	17,327	1,264	6.8%	18,833	17,384	1,449	7.7%	18,678	17,141	1,537	8.2%
Quay	4,698	4,482	216	4.6%	4,790	4,496	294	6.1%	4,668	4,325	343	7.3%
Rio Arriba	13,288	11,580	1,708	12.9%	13,760	11,787	1,973	14.3%	13,564	11,465	2,099	15.5%
Roosevelt	6,671	6,373	298	4.5%	6,685	6,337	348	5.2%	6,540	6,184	356	5.4%
Sandoval	28,690	26,942	1,748	6.1%	28,415	26,354	2,061	7.3%	27,401	25,164	2,237	8.2%
San Juan	33,197	29,721	3,476	10.5%	33,216	29,136	4,080	12.3%	33,894	29,459	4,435	13.1%
San Miguel	9,744	8,881	863	8.9%	9,931	8,980	951	9.6%	10,147	8,926	1,221	12.0%
Sierra	2,675	2,559	116	4.3%	2,680	2,537	143	5.3%	2,526	2,389	137	5.4%
Socorro	5,680	5,293	387	6.8%	5,870	5,402	468	8.0%	6,154	5,553	601	9.8%
Taos	9,498	7,974	1,524	16.0%	9,760	7,832	1,928	19.8%	10,100	7,861	2,239	22.2%
Torrance	3,771	3,447	324	8.6%	3,712	3,399	313	8.4%	3,598	3,242	356	9.9%
Union	2,047	1,954	93	4.5%	2,089	1,964	125	6.0%	1,987	1,852	135	6.8%
Valencia	15,778	14,533	1,245	7.9%	16,052	14,539	1,513	9.4%	16,021	14,390	1,631	10.2%

1/ All estimates are made in strict accordance with methodology provided by the U. S. Department of Labor, Bureau of Labor Statistics

2/ Metropolitan Statistical Area - Bernalillo County

3/ Metropolitan Statistical Area - Dona Ana County

4/ Metropolitan Statistical Area - Santa Fe and Los Alamos Counties

New Mexico Department of Labor
Economic Research and Analysis (CC 6097)
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